

Submission

to

Senate Employment, Workplace Relations and Education
Legislation Committee

Inquiry into the Workplace Relations Amendment (WorkChoices) Bill 2005

Submission no: 99

Received: 9/11/2005

Submitter: Mr David Pearson
President

Organisation: Students' Association of the University of Adelaide

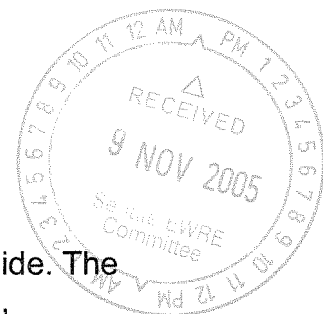
Address: North Terrace
University of Adelaide SA 5005

Phone: 08 8303 5760

Fax: 08 8223 2412

Email: saua@adelaide.edu.au

The Students' Association of the University of Adelaide



The Students' Association of Adelaide University (SAUA) is the peak representative body for all students enrolled at the University of Adelaide. The University of Adelaide is comprised of four campuses – North Terrace, Roseworthy, Waite and Thebarton Campus and have over 16 000 enrolled students. The SAUA is an affiliate of the Adelaide University Union, as legislated in Section 21 of the University of Adelaide Act 1971.

The SAUA welcomes this opportunity to comment on the inquiry into the *Workplace Relations Amendment (WorkChoices) Bill 2005* on behalf of our members, the students of Adelaide University.

Introduction

The Students' Association of the University of Adelaide opposes the industrial relations changes set out in the *WorkChoices* package. The SAUA believes them to be regressive, exploitative, unfair and unwarranted. The *WorkChoices* legislation represents an arrogant contempt on behalf of the Government for the conditions and rights of Australian workers and their families.

WorkChoices, Students and Young People

The SAUA is alarmed at the impact *WorkChoices* will have on young people and their ability to be successful students. The current measures of student income support are failing to reflect the very real increase in expenses students incur for their education. The SAUA sees this as indicative of the Howard Government's cost shifting agenda – forcing students and their families to bear the bulk of the cost of a higher education that is fast moving beyond the financial reach of most.

Now more than ever, students are spending an ever increasing amount hours in paid employment. The Australian Bureau of Statistics estimates that between 1990 and 2000, the number of people combining paid employment and study increased by a staggering 333 000. The largest growth in this area was amongst full time students taking on some degree of part time work.¹

The Australian Vice chancellors Committee report that in 2000, 72.5% of full time students were in paid employment, working an average of 14.5 hours per week – nearly three times longer than twenty years ago. Over 50% of part time students are employed in full time positions, and over another 30% work part time or causally.²

¹ ABS, *Year Book Australia 2002: Education and Training Special Article – Combining Work and Study* www.abs.gov.au/ausstats/

² Long, M & Hayden M (AVCC), *Paying Their Way: A Survey of Australian Undergraduate University Student Finances, 2001* – Executive Summary: Overview, p.6-7

The *Paying Their Way* survey found that over 30% of full time students were missing classes 'frequently' because of the need be in paid employment, and over half of these respondents felt it was having serious consequences for their studies. Part time students report a higher incidence of missed classes (18.1% 'frequently' and 31.4% 'sometimes') and a higher rate of respondents reporting it having a negative impact on their study (30.1%). Part time students are also eligible for less student income support.³

What this all adds up to is close to **500 000** students across the country who feel they are not able to study to the best of their ability because their financial need to work is hindering their capability to study.

The Government has announced that it intends to abolish unfair dismissal protection for people working in workplaces with less than 100 employees. The ACTU estimates that this covers 99 per cent of private sector employers will be able to sack their workers unfairly, not even giving them a reason for being sacked.

Students often have to miss work because of study commitments and exams, or because the stress of working and studying can create stress and poor health. In September, U-Who (Young People and Unions Network), a part of SA Unions, released the report, *Dirt Cheap and Disposable – A Report about the Exploitation of Young Workers in South Australia*.⁴ This report revealed that 22% of young South Australian workers believed they had been dismissed unfairly and 43% said they felt forced to work when sick.

Students should not have to make the decision between skipping classes and failing assignment, or losing their job. The Government's ineffective student income support system has already forced more and more students into work to the detriment of their studies, and now *Workchoices* is going to make it impossible for young workers to be successful students.

Bargaining Power

In comment to *The Age*, Federal Treasurer Peter Costello stated "*We should be trying to move to an industrial relations systems where the predominant instrument is the individual contract.*"⁵ Individual contracts of any kind can only be fair when negotiated with two parties of equal bargaining power – and this is where young people are going to lose out.

In a report for the Australian Greens, *The Impact of Proposed Industrial Relations Reforms on Young Australians*, Dr Richard Denniss stresses the danger of young workers being exploited when bargaining their own individual contract.

³ *ibid*

⁴ U-Who, *Dirt Cheap and Disposable*, September 2005, p.1

⁵ Peter Costello, Federal Treasurer, *The Age*, 19 Feb 2005

“Young workers are unlikely to have more experience in workplace negotiation than their employer, or their employer’s legal representative, it is unlikely that they will have superior bargaining ability.”⁶

Youth unemployment in Australia has remained close to the 15% rate over the last fifteen years (for 15-19 year old people), and is often ignored in the Federal Government’s rush to remind the rest of Australia how good they have it and how low general unemployment is.⁷ The stagnant rate of youth unemployment in Australia means there will always be more applicants for jobs than position available.

Dr Denniss argues that young workers are less likely to have individual skills, especially at entry-level positions that differentiate them from other applicants. Under *Workchoices* employers will be able to select candidates willing to accept lesser wages and conditions. Dr Denniss explains that this means, “*desperation, rather than qualifications, may be the main determinant of which young people are successful*”⁸

Conclusion

The *Dirt Cheap and Disposable Report* states,

“It is unfortunate that many young people commence their working lives via highly exploitative and precarious employment, with low wages, no training opportunities, poor working conditions and no real potential for them to increase their earning capacity.”⁹

Under the *WorkChoices* legislation, the experience of many young South Australians in the workplace will be reflected on a national scale. Earlier this month in the House of Representatives, the Leader of the Opposition, Kym Beazley stated that the proposed IR changes “*would see one man’s tired old dream becomes a living nightmare for all Australians.*”¹⁰

The SAUA believes this statement is particularly true for young workers and we urge the Senate to make a firm commitment to all Australians and reject this extremely damaging legislation.

⁶ Denniss, R, *The Impact of Proposed Industrial relations Reforms on Young Australians*, 2005 p. 4

⁷ Meir, Matt, *What Choices for Young People under Workchoices?*, www.vibewire.com.net

⁸ Denniss, R, *op cit*, p.5

⁹ U-Who, *op cit*, p.9

¹⁰ Peters, Dennis, *House in Uproar as IR Bill Tabled*, www.news.com.au. Nov 2